

UNITED STATES DEPARTMENT OF STATE
BUREAU OF POLITICO-MILITARY AFFAIRS
WASHINGTON, D C 20520

In The Matter of
JAPAN AVIATION
ELECTRONICS INDUSTRY LTD
Tokyo, Japan

Respondent

ORDER

The Office of Defense Trade Controls, Bureau of Politico-Military Affairs, United States Department of State, (Department), having determined to initiate an administrative proceeding against Japan Aviation Electronics Industry Ltd (JAE) pursuant to Section 38(e) of the Arms Export Control Act (the Act) (22 U S C § 2778(e)) and Section 127 6 of the International Traffic In Arms Regulations (22 C F R Parts 120-130) (the Regulations) based on allegations that JAE violated Section 38(c) of the Act (22 U S C § 2778(c)) and the Regulations, in that JAE transferred or caused to be transferred to Iran, in 1984-87, defense articles covered by the U S Munitions List (22 C F R § 121 1), without the prior written approval of the Department of State, as set forth in the proposed Charging Letter,

The Department and JAE having entered into a Consent Agreement whereby the parties have agreed to settle this matter by the payment by JAE to the Department of a civil penalty in the amount of \$5,000,000.00 (five million dollars), and;

The terms of the Consent Agreement having been approved by me;

IT IS THEREFORE ORDERED:

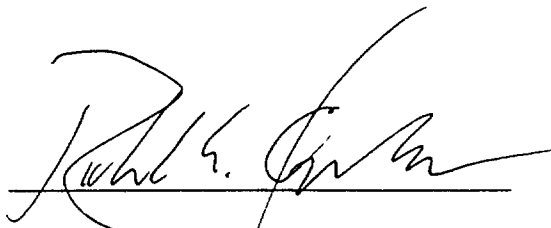
FIRST, a civil penalty in the amount of \$5,000,000.00 (five million dollars) is assessed against JAE. JAE shall pay the civil penalty to the Department by cashier's check or certified check made payable to the Department of State within ten days of the time of JAE's conviction in the U.S. District Court for the District of Columbia, in a related criminal case (Criminal Number 91-516);

SECOND, the Department's Notice of September 10, 1991, which suspended all existing licenses and other approvals, granted pursuant to Section 38 of the Act, that authorize the export or transfer by, for or to, JAE and any other subsidiary or associated company, of defense articles or defense services, is rescinded;

THIRD, statutory debarment for a period of three years from the date of conviction, with the last two years suspended, is imposed against JAE. If at any time during the period of suspension there is reason to believe that JAE has violated any provisions of the Act and Regulations, or any of the statutes enumerated in Section 38(g)(1), the Department may promptly reimpose statutory debarment;

FOURTH, that the proposed Charging Letter, the Consent Agreement and this Order shall be made available to the public.

This Order becomes effective on the date of conviction in the United States District Court, District of Columbia, of the plea to which JAE and the Department of Justice have agreed in the related criminal case.


Richard A. Clarke
Assistant Secretary
for Politico-Military Affairs

Entered this 6th day of March 1992